

DEPARTMENT OF THE ARMY  
HEADQUARTERS, TRIPLER ARMY MEDICAL CENTER  
Tripler, Hawaii 96589-5000

TAMC Regulation  
No. 715-1

Procurement  
MEDICAL ACQUISITION INSTRUCTION

This regulation is not subject to the requirements of AR 11-2, as it contains no internal control provisions.

Issue of further supplements to this regulation is prohibited unless specifically approved by the United States Army Medical Command, Health Care Acquisition Activity, Pacific Regional Contracting Office, ATTN: MCAA-PC.

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\* This regulation supercedes TAMC Regulation 715-1 dated 04 May 1984.

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## CHAPTER 1

### GENERAL

1-1. HISTORY. This issue publishes a revision of this publication. Because the publication has been extensively revised, the changed portions have not been highlighted.

1-2. PURPOSE. The purpose of this regulation is to provide procedural instructions for use by designated activities in submitting purchase requests to the U.S. Army Medical Command Health Care Acquisition Activity, Pacific Regional Contracting Office (PRCO), herein referred to as PRCO, for acquisition of required supplies and services which have been authorized for local purchase utilizing appropriated funds.

#### 1-3. REFERENCES.

- a. Federal Acquisition Regulation (FAR)
- b. DoD Federal Acquisition Regulation Supplement (DFARS)
- c. Army Federal Acquisition Regulation Supplement (AFARS)
- d. MEDCOM Acquisition Instructions (MAI) 715-1
- e. DoD 5500.7-R, Joint Ethics Regulation
- f. AR 40-61, Medical Logistics Policies and Procedures
- g. MEDCOM Supplement to AR 40-61

1-2. APPLICABILITY. This regulation applies to all U.S. Army Medical Command activities, including tenant and satellite, which obtain appropriated fund acquisition support from the PRCO.

### 1-3. EMERGENCY CONTRACTING SUPPORT.

a. Emergency purchase requests shall not be used in place of timely planning and resupply. When urgency of need is the prime factor, the required delivery date will be governed by when the supplies or services are needed to remedy the emergency or priority situation. Under these circumstances, consideration will be given to payment of premium prices for accelerated delivery. Requests for supplies with accelerated delivery schedules must be assigned a Uniform Materiel Movement Issue Priority System rating of 06 (Priority) or 03 (Emergency) by the Accountable Officer.

b. Normal Duty Hours. Emergency or priority purchase requests will be handcarried or faxed by the requisitioner through established channels to the PRCO. Requests will be stamped "Emergency", be signed by the Chief of the initiating department (or designated representative), contain a written justification as to why priority action is required, and must specify the specific calendar date when the supply or service is required.

c. After Duty Hours. Emergency situations which arise during nonduty hours and which require contractual action prior to the next duty day will be referred to the Administrative Officer of the Day (AOD). The AOD has been furnished with a list of contracting personnel to contact.

### 1-4. DEFINITIONS.

a. Blanket Purchase Agreement (BPA). A simplified method of filling anticipated repetitive needs for small quantities of supplies or services by establishing BPAs (charge accounts) with qualified sources of supply, which provide for oral calls and once-a-month billing.

b. Blanket Purchase Agreement Caller. An individual authorized in writing by a contracting officer to place calls against a BPA established by the PRCO.

c. Brand Name Product. A commercial product described by brand name, make model, number, or other appropriate nomenclature by which such product is offered for sale to the public by the particular manufacturer, producer, or distributor.

d. Commander, Healthcare Acquisition Activity. Located at Fort Sam Houston, Texas and has command and control over all regional contracting offices and the MEDCOM central contracting center. Works directly for the Head of the Contracting Activity (HCA).

e. Contracting. The acquisition, rental, leases, or otherwise authorized means of obtaining supplies, and services.

f. Contracting Officer. A United States citizen (military or civilian) appointed by the Health Care Acquisition Activity, Principal Assistant Responsible for Contracting, who has the authority to enter into and administer contracts and make determinations and findings with respect thereto.

g. Contracting Officer's Representative (COR). A U.S. citizen (military or civilian) assigned to a requiring activity who has been appointed by the contracting officer to act as his representative in administering a contract, subject to the authority and limitations reflected in the letter of appointment.

h. Emergency Purchase. An acquisition in support of a compelling and unusually urgent requirement where the government would be seriously injured, financially or otherwise, if the supplies, services, or construction are not provided by a specified date.

i. Exchange (trade-in) Property. Property not in excess of the needs of the owning Department of Defense (DOD) component, but eligible for replacement because of obsolescence, unserviceability, or other valid reason, that is exchanged and applied as whole or partial payment allowance toward the acquisition of same generic items.

j. Head of Contracting Activity. Director of Operations & Plans, United States Army Medical Command, Fort Sam Houston, TX.

k. Informal/Unauthorized Commitment. Action taken by an unauthorized individual to commit the U.S. Government for the purchase of supplies, equipment, or services, which results in an unauthorized commitment. This type action could result in a violation of the Anti-Deficiency Act, Title 31, United States Code 1341(a), as defined in AR 37-1.

l. Justification and Approval. A written document justifying and obtaining approval for using other than full and open competition in soliciting offers and awarding a contract.

m. Local Purchase. The authorized acquisition of supplies, services, and construction by an installation for its own use or the use of activities logistically supported by the installation. Local purchase is not limited to the immediate geographical area in which the contracting installation is located.

n. Local Purchase Authority. Authorities for local purchase are contained in various regulations. For example, AR 710-2 provides guidance to accountable property book officers concerning local purchase authority for supplies and equipment. All purchase requests submitted to the PRCO must have local purchase authority and each request must be annotated to reflect that authority. The authority cited for a service must specifically allow performance by contract.

o. Ordering Officer. An individual (military or civilian) who has been appointed in writing by the Chief, PRCO, and is granted limited specific authority to place orders against contracts entered into by others or to effect minor acquisition actions as set forth in the letter of appointment.

p. Principal Assistant Responsible for Contracting. The senior staff official of the contracting function within the contracting activity. Reports directly to the Head of the Contracting Activity (HCA). As the technical expert for the HCA performs all functions assigned or delegated by the HCA and responsible for technical training, certification, and oversight of contracting personnel and actions within the contracting activity.

q. Purchase Request. A request for acquisition of supplies or services initiated by the requiring activity using authorized forms, citing local purchase authority, evidencing necessary approvals, and reflecting the availability and commitment of funds.

r. Requiring Activity. An organization, activity, or unit, assigned or attached to U.S. Army Medical Command, responsible for initiating purchase requests for acquisition of supplies or services pursuant to pertinent directives, approved programs and projects, or other competent authority.

s. Service. Requirement which calls directly for a contractor's time and effort rather than for a concrete end product. Services are further classified as personal and non-personal. Differentiation between personal and non-personal services usually requires an in-depth examination of all

Aspects of the proposed statement of work or a review of how the contract is being administered.

(1) Personal Services. Services in which the contractor or his/her employees are in effect employees of the Government.

(2) Non-personal Services. Service in which the contractor or his/her employees maintain a separate identity. This determination is based upon the supervision afforded during contract performance and contract administration provisions.

t. Simplified Acquisition Procedures. Simplified procedures for the acquisition of supplies and services, the aggregate amount of which does not exceed \$100,000 per transaction, using purchase orders, and BPAs.

u. Standard Army Automated Contracting System (SAACONS). The Army's automated system for record keeping, reporting and generation of contractual documents.

v. Standard Procurement System (SPS). The Department of Defense's automated system for record keeping, reporting and generation of contractual documents.

w. Supplies. All types of tangible property exclusive of real property, i.e., real estate, land or facilities. Included are expendables, repair parts, consumables and equipment.

x. Supply Activity. This term, when used herein, applies only to the Logistics Division, Dwight David Eisenhower Army Medical Center.

y. Warranty. A promise or affirmation given by a seller to a purchaser regarding the nature, usefulness, or condition of the supplies, construction, or services to be furnished.

## CHAPTER 2

### CONTRACTING AUTHORITY AND STANDARDS OF CONDUCT

#### 2-1. CONTRACTING AUTHORITY AND RESPONSIBILITIES

a. Contracting officers have authority to enter into, administer, or terminate contracts and make related determinations and findings. Contracting officers may bind the Government only to the extent of the authority delegated to them.

b. No contract shall be entered into unless the contracting officer ensures that all requirements of law, executive orders, regulations, and all other applicable procedures, including clearances and approvals, have been met.

c. Contracting officers are responsible for ensuring performance of all necessary actions for effective contracting, ensuring compliance with the terms of the contract, and safeguarding the interests of the United States in its contractual relationships.

d. The Chief of the PRCO may appoint ordering officers when it is in the best interest of the Government and the contracting office.

#### 2-2. STANDARDS OF CONDUCT

a. Standards of conduct for Department of the Army personnel directly or indirectly involved in contracting or related activities are set forth in DOD 5500.7-R, The Joint Ethics Regulation. This regulation must be reviewed semi-annually by all personnel involved in the contracting process such as contracting office personnel and those who:

(1) Determine requirements and prepare descriptions of supplies or services to be acquired.

(2) Determine technical requirements and prepare specifications and drawings.

(3) Determine government estimates of cost.

(4) Conduct preaward surveys.

(5) Become involved in any aspect of contract administration, such as testing, engineering evaluation, quality, quality assurance, inspection, and acceptance, etc.

(6) Serve as BPA authorized individuals.



(7) Serve as ordering officers.

(8) Serve as CORs.

b. Refer all requests regarding medical acquisition information to the PRCO. Unauthorized personnel will not discuss details of requirements, production schedules, engineering problems, prices, quantities, delivery schedules, or other contracting related matters with contractors or industry representatives. The practice of unauthorized personnel contacting contractors or industry representatives could result in:

(1) Giving a contractor an unfair advantage over other contractors.

(2) Appearance of favoritism to certain contractors.

(3) Unfairly raising the expectations of the contractor or creation of the belief that a commitment has been made.

(4) Unnecessarily restrictive specifications or performance requirements in solicitations.

(5) Unauthorized obligation of funds.

(6) Unfavorable publicity for the Army.

(7) The Government official making the unauthorized contact receiving disciplinary action for violation of regulatory and statutory requirements.

c. When manufacturers or distributors contact activities to market their products and services, discussions should be limited to the vendor product capabilities only. Technical literature, product brochures, and standard price lists may be accepted. The PRCO procurement personnel are the only personnel authorized to solicit offers and negotiate with industry.

d. When in discussions with industry representatives at conferences, seminars, or workshops, the following statement may be used as a precautionary measure to both the individual and the audience:

"My inquiry or discussion with you as potential contractors or other interested parties is for planning purposes only. I am prohibited from providing specific advance information regarding a proposed contractual action. I may only relay general information in order to research the market for the availability of supplies, equipment, and services. A contractual obligation on behalf of the Army may only be made by a warranted contracting officer. I cannot make a commitment to you, either informally or formally."

e. The PRCO contracting officers may designate a representative to act in their stead to informally discuss with contractors/potential contractors acquisition related matters. Such designations will be made on a case-by-case basis and in no event will they include authority to execute or agree to any contract or its modification.

f. Issues concerning conflict of interest or restrictions on "selling" to the Army should be referred to the Activity Staff Judge Advocate, for clarification. When in doubt about the propriety of a contact, call the PRCO for advice. Violations will result in submission of a report through proper channels for administrative or even punitive action.

## 2-3. PROCUREMENT INTEGRITY

### a. Definitions.

(1) Competing Contractor. A business entity that is reasonably likely to become a competitor or recipient of a contract under a particular procurement. It includes any person acting on behalf of such an entity.

(2) Procurement Official. A military or civilian employee who has participated personally and substantially in any of the following for a particular procurement.

(a) Drafting a specification or statement of work(SOW).

(b) Review and approval of a specification or SOW.

(c) Preparation or development of purchase requests.

(d) Evaluation of bids or proposals.

(e) Negotiations to establish price or terms and conditions, or contract modifications.

(f) Review and approval of the award or modification.

(3) Proprietary Information. Data prepared or developed by the government to conduct a particular procurement, the disclosure of which would jeopardize the integrity or successful completion of the procurement. Source selection includes but is not limited to:

(a) Bid or proposed prices.

(b) Source selection plans.

(c) Technical evaluation plans.

(d) Cost or price analysis of proposals.

- (e) Competitive wage determinations.
- (f) Rankings of bids, proposals, or competitors.
- (g) Reports and evaluations of source selection panels.

(4) Propriety Information:

- (a) Information contained in a bid or proposal.
- (b) Cost or pricing data.

(c) Any other information submitted to the Government by a contractor and designated as proprietary, in accordance with law or regulation, by the contractor, the head of the agency, or the contracting officer.

(d) Information that is submitted to the Government by competing contractor, and is marked as propriety in accordance with applicable law or regulation. Information is proprietary only if the cover page and each page, or portion thereof, that contains proprietary information is marked as proprietary.

(e) Proprietary information does not include information that is otherwise available without restrictions to the Government, a competing contractor, or the public; information contained in bid documents following bid openings; that the contracting officer determines to release IAW Federal Acquisition Regulation.

b. Policy. The procurement integrity policies were established by congress to ensure that government contracts were planned, solicited, awarded and administered in an impartial manner. These policies ensure that favoritism and parochial interests do not influence government purchases.

c. General Prohibitions. The prohibitions of the Procurement Integrity Act include, but are not limited to the following. These general categories have numerous sub-elements which can be clarified by the contracting office or an ethics counselor.

(1) Prohibited conduct by competing contractors. During the conduct of any procurement, no competing contractor shall engage in the following with any procurement official:

(a) Make or discuss any offer of employment or business opportunity.

(b) Offer money, gratuity or anything of value.

(c) Solicit or obtain prior to the award of any contract any property or source selection information.

(2) Prohibited conduct by procurement officials:

(a) Solicit, discuss or accept any promise of future employment from a competing contractor.

(b) Ask or accept any money gratuity or other thing of value from a competing contractor.

(c) Disclose proprietary or source selection information during a procurement.

(3) During the course of a procurement, no person who is given authorized or unauthorized proprietary or source selection information shall disclose such information to any person other than those authorized by the contracting officer.

(4) Post employment restrictions of procurement officials are generally as follows:

(a) Procurement officials may not participate in any manner in any negotiation, modification or extension of a contract in which they were involved.

(b) Participate personally and substantially on behalf of the competing contractor in the performance of such contract.

## 2-4. UNAUTHORIZED COMMITMENTS

### a. Definitions.

(1) Ratification. The act of approving an unauthorized commitment by an official who has the authority to do so.

(2) Unauthorized Commitment: An agreement that is not binding to the Government solely because the Government representative who made it lacked the authority to do so.

### b. Ratification of unauthorized commitments.

(1) Only contracting officers and their authorized representatives, acting within the scope of their authority, may enter into contracts on behalf of the government and obligate the expenditure of appropriated funds. The contracting officer may not execute contractual documents for after-the-fact actions except for properly approved ratifications.

(2) To protect the relationship with its suppliers, the DA has adopted procedures to ratify certain unauthorized commitments. Personnel should not construe this to mean unauthorized commitments are condoned or acceptable. Unauthorized commitments are a very serious matter and the Commander must consider disciplinary action against the

responsible individual in every case. Additionally, ratification is not automatic and personnel responsible for improper purchases may be held personally liable for expenses incurred.

(3) Unauthorized commitments may be ratified only when:

(a) Supplies or services have been provided to and accepted by the Government, or the Government otherwise has obtained or will obtain a benefit resulting from performance of the unauthorized commitment.

(b) The ratifying official could have granted authority to enter, or could have entered into, a contractual commitment at the time it was made and still has the authority to do so.

(c) The resulting contract would otherwise have been proper if made by an appropriate contracting officer.

(d) The contracting officer reviewing the unauthorized commitment determines the price to be fair and reasonable.

(e) The contracting officer recommends payment.

(f) Funds are available and were available at the time the unauthorized commitment was made.

(4) In order to ratify an unauthorized commitment, the contracting office will need the following documents:

(a) A statement signed by the individual describing the circumstances, why normal procurement procedures were not followed, what bona fide government requirement necessitated the commitment, whether any benefit was received, its value, and any other pertinent facts.

(b) An original vendor invoice.

(c) Properly executed DA Form 3953, Purchase Request and Commitment, or DD Form 1348-6, National Stock Number (NSN) Requisition, in the amount of the claim.

(d) Properly executed receiving report.

(e) Certification by the RMD or Certifying official that funds are available and were available at the time the unauthorized commitment was made.

(5) If the contracting officer feels that there is sufficient information to approve the request, an endorsement from the commander is requested which should:

(a) Verify the accuracy and completeness of the documentation;

(b) Describe the measures taken to prevent a recurrence of unauthorized commitments including a description of any disciplinary action taken.

(6) With the concurrence of the Commander and approval of the ratification authority, the PRCO will issue a purchase request to the Finance and Accounting Office for payment purposes.

2-5. RATIFICATION AUTHORITY. The authority to approve ratification actions is as follows:

(a) The Head of the Contracting Activity (Commanding General, U.S. Army Medical Command) for amounts exceeding \$100,000.

(b) The Principal Assistant Responsible for Contracting (Commander, U.S. Army Medical Command, Health Care Acquisition Activity) for amounts of \$100,00 or less.

(c) The Chief, PRCO for amounts of \$10,000 or less.

## CHAPTER 3

### SIMPLIFIED ACQUISITION PROCEDURES AND OTHER AGENCY CONTRACTS

#### 3-1. GENERAL.

a. Simplified Acquisition procedures are generally used on those requests that are less than \$100,000 or on Federal Supply Schedule (FSS) i.e., General Services Administration (GSA) Contracts or Veteran Administration (VA) Contracts.

b. All purchases greater than \$2,500 or less than \$100,000 are set-aside for small business unless the set-aside is broken because:

(1) Small business prices are not competitive.

(2) The suggested source is a sole source.

(3) Emergency requirements preclude seeking small business sources.

c. A procurement to a small business less than \$2,500 does not require competition.

d. Procurements over \$2,500 irregardless of business size requires competition.

e. Items on FSS contract are not set-aside for small business. If a large business FSS contractors price is less than \$2,500 and is reasonable, the award will probably be made to the suggested source. If the total dollar value is over \$2,500, then the contracting office shall conduct a cost comparison of the requirement with other FSS contractors. Award can be made to a large or small business contractor.

#### 3-2. PURCHASE REQUEST PREPARATION.

a. All requests for the local purchase of supplies, services and equipment will be submitted on a DA Form 3953, DD Form 1348-6, Traveling Purchase Request or via the Automated TAMMIS Interface or the Automated IFICS interface. All information will be complete and the request itself properly executed. Statements of work must be submitted on a computer disk or by cc:mail to the PRCO Systems Analyst, <mailto:claudio.casupang@amedd.army.mil>.

b. Document numbers assigned by the customer or supporting activity must be current and Required Delivery Date (RDD) valid per type of request. If the contracting office

receives requests in which the RDD has already passed, the RDD will be extended by one, seven or fourteen days based on the priority. Activities will be notified of the change either verbally or written communication.

c. Definite delivery dates are required. Terms such as "Immediately" or "ASAP" are not acceptable. The required delivery date should allow adequate time for procurement processing and delivery by the contractor.

d. If the procurement is a true sole source, then the sole source justification must accompany the purchase request forwarded to the contracting office within 24 hours of input into the IFICS/TAMMIS Item Description File Import.

### 3-3. PRIORITIES AND PROCESSING TIMES.

a. The following processing times are how long it takes to process an action from the time of receipt to the time of award. Processing times do not include time allotted to get the action to the contracting office nor vendor shipping time to the activity.

PRIORITY	USAGE	PROCESSING TIME
03	Save Life or Limb Prevent Undue Suffering or Distress	24 hours
06	Prevent shut down of patient treatment areas or adminis- trative requirements	Up to \$25,000 5-7 days \$25,000-\$100,000 25-30 days
13	Routine resupply	Up to \$25,000 8-15 days \$25,000-\$100,00 35-40 days

### 3-4. AUTOMATED TAMMIS AND IFICS INTERFACES.

a. TAMMIS AND IFICS INTERFACE automated requests are imported into the TAMC SAACONS system by 0800 hours each working day.

b. Customers are notified via telephone/FAX by 1000 hours if a description file did not accompany the request. Customers have until 1400 hours to enter an item description in the SAACONS description file. A PRCO purchasing agent or specialist will match all descriptions with purchase requests. If the description is not in the SAACONS file, a cancellation will be initiated and these requests are cancelled out of the system. Resubmit your requirement the next day with a new document number and a TAMMIS generated description file.



c. Awards are validated and exported by 1600 hours each work days if sufficient work load was processed. Smaller activities are processed every other day.

### 3-5. DISTRIBUTION.

a. Purchase orders for TAMC are distributed to Finance, Logistics and RMD as needed.

b. Purchase orders for remote locations are all sent to the activities Materiel Branch to make distribution for the installation. Orders are mailed to customers or via Federal Express (where we have been given account permission by the customer). Customers utilizing Federal Express need to establish an account with Federal Express for the Contracting Office use.

## CHAPTER 4

### BLANKET PURCHASE AGREEMENTS AND DECENTRALIZED BLANKET PURCHASE AGREEMENTS

#### 4-1. BLANKET PURCHASE AGREEMENTS (BPAs).

a. General. A BPA is one of the methods used to purchase supplies. It is a charge account established with qualified sources of supply, designed to reduce administrative costs. All calls are initiated on the basis of a valid purchase request and can only be placed by a purchasing agent or authorized individuals, (ordering officers). The decision to use a BPA is determined by the purchasing agent or authorized individuals IAW applicable regulations.

b. Limitations on use. Excessive decentralization of purchasing responsibility is against DoD acquisition policy. Only the Chief, PRCO can approve the authorization of ordering officers outside the contracting office to place calls against BPAs. Requiring activities that want to utilize a BPA must provide written request to the Chief, PRCO. The justification must support their assigned mission and prove that thier mission is adversely affected by lack of immediate on-site contracting support. The ordering officials will usually be restricted to using BPAs with prepricing established by the contracting office. They cannot be authorized to place calls in excess of \$2,500.

c. Persons Authorized to Place Calls. Only persons specifically authorized to place calls can do so. An authorized individual is designated in writing by the contracting officer and cannot redelegate his/her authority to any other person. Authorized individuals outside the contracting office must receive instructions on the use and limitations of their authorization before placing any calls. Failure to follow instructions will result in termination of authorization.

d. Each individual approved to place calls against a BPA must prepare a monthly BPA usage report. The report must be submitted to the PRCO contracting officer no later than the last working day of the month. The call records are subject to inspection at any time and will be inspected at a minimum annually.

## CHAPTER 5

### SPECIAL TRANSACTIONS

5-1. IMPREST FUND. The PRCO does not operate an Imprest Fund.

5-2. LEASES/RENTALS.

a. The decision to lease or rent rather than purchase must be made on a case by case basis to determine what option is in the best interest of the Government (See AR 710-2). Situations in which leases/rentals are considered prudent are:

(1) Item is not for sale.

(2) Item is needed for a one time, short term requirement of 6 months or less.

(3) Item will become obsolete within 1 year due to substantial technological advancement.

(4) Lease/rental can be shown through economic analysis to be cheaper than purchase.

b. All purchase requests for lease/rental must be accompanied by a narrative justification for the lease/rental and an economic analysis comparing the cost of rental versus purchase. Analysis will consider all related expenses (maintenance, operating supplies, salvage, etc.) over the life expectancy of the item. Assistance in preparing this document can be obtained by contacting the appropriate comptroller or fiscal officer. This documentation must be approved by the organization's comptroller or fiscal officer before forwarding the purchase request to the PRCO.

5-3. REGISTRATION, TUITION, AND EXAMINATION FEES.

a. Approved registration, tuition, examination fees are normally paid directly to the individual in conjunction with travel orders (DD Form 1610), or to the institution providing the training by use of DD Form 1556 (Request Authorization, Agreement, Certification of Training and Reimbursement).

b. When valid justification exists, activities can submit a Purchase Request and Commitment (DA Form 3953) covering training requirements. If approved, a purchase order will be issued to the training institution. Payment to an individual is not authorized under this method. If advance payment of funds is required, this information must be annotated on the request and forwarded to the contracting office at least 3 weeks prior to the start date due to Finance and Accounting processing requirements.

#### 5-4. EXAMINATIONS, EVALUATIONS, DEMONSTRATIONS AND LOANS.

a. Activities will not enter into loans without prior approval of and coordination with the PRCO. If the terms of the proposed loan are acceptable to the Government, a written agreement will be executed which sets forth the responsibilities and liabilities of both the vendor and the Government.

b. Request for agreements will be forwarded on a memorandum with the following information:

(1) Item nomenclature and serial number.

(2) Quantity.

(3) Location where item will be placed.

(4) Period of examination (for local approval does not exceed 30 days).

(5) Name and telephone number of individual in activity that will be responsible for the item.

(6) Name, address, and phone number of company and point of contact.

(7) Purpose of loan.

(a) Loans for demonstrations, examinations, and evaluations require administrative approvals set forth in AR 40-61 which must accompany request.

(b) When companies loan equipment as a temporary replacement during repair of existing equipment, the need for the loan equipment will be included in the PR&C for the repair service.

c. Existing Logistics policies apply upon acceptance at the activity i.e. temporary handreceipt procedures, technical inspections and certification.

d. Equipment, supplies, or services offered to TAMC on a "no cost" basis will be obtained IAW the procedures contained in AR 1-100. For further guidance on this issue contact the Chief, PRCO.

#### 5-5. MEDICAL BOOKS AND PERIODICALS.

a. Requests for professional books, except dictionaries and medical and technical subscriptions for all activities must be submitted through and must bear the signature of the applicable library office. The submission of publication

subscriptions for periods longer than 1 year is authorized and encouraged.

b. Library Accountable Officers will initiate and/or approve the above transactions on DA Form 3953. After approval by the Commander or his designee, requests will be sent through the appropriate fiscal officer to the PRCO.

c. Purchase requests for more than one line item will be completed as follows:

(1) Each line item must have a document number. For receiving purposes, combining all publications as one lot is unacceptable.

(2) A complete title, catalog/publishers number, price and whether the item is a tape, magazine, or book must be annotated on the DA Form 3953.

(3) Subscriptions must annotate a start and end date for the subscription.

(4) Provide at least three recommended sources in order of preference with priority to the government contract provider.

#### 5-6. GUEST SPEAKERS.

a. Invitational Travel Orders (ITOs) issued by the requesting activity is the option of choice. Resource Management is the POC for ITOs.

b. A guest speaker is an individual who delivers a lecture without Government supervision, at a specific place, on a specific date and on a specialized subject.

c. Purchase requests for guest speakers are forwarded through a Chief, Director of Health Education and Training (DOHET) to arrive no later than 20 days prior to the date the speaker is to provide services.

d. The purchase request will provide a breakdown of cost as follows:

(1) Honorarium (not to exceed a total of \$500 per event).

(2) Air travel or mileage reimbursement.

(3) Local per diem costs (hotel, taxi).

(4) Other expenses.

e. After services are received, the requesting activity will forward an invoice/certificate of performance to Finance

and Accounting to be used as a basis for payment. This invoice/ certificate of performance should be submitted as a memorandum with the DD Form 1155, Order for Supplies and Services to the Finance Office.

5-7. EXPERTS, CONSULTANTS, CONTRACT SURGEONS, STUDIES AND ANALYSES, NARRATORS, STENOGRAPHERS, AND OTHER SPECIALIZED PERSONAL AND NON-PERSONAL SUPPORT SERVICES. The acquisition of experts, consultants, direct health care providers, professional and management studies and analyses, narrators, stenographers and other specialized personal and non-personal support services is closely controlled, requiring various administrative and contracting approvals, and, in many cases, requires the issue of formal contracts. Activities requiring these services should coordinate with the contracting office well in advance of the requirement due date.

5-8. CREDIT CARD. The PRCO is currently implementing the credit card program to TAMC and the Pacific Region. Copies of the Credit Card SOP and start-up information are available upon request.

## CHAPTER 6

### FORMAL CONTRACTING AND ACQUISITION PLANNING

#### 6-1. ACQUISITION PLANNING.

a. This chapter focuses on requests for supplies or services that are open market over \$100,000.

(1) Purchase requests, DA Form 3953, must be completely filled out with proper fund certification, clearances, reviews, approvals, and supporting documentation such as lease versus purchase analysis, specifications, and sole source justification.

Statement of Works (SOWs) must be submitted on computer disk or sent via cc:Mail to the PRCO Systems Analyst, ([claudio.casupang@amedd.army.mil](mailto:claudio.casupang@amedd.army.mil)).

(2) The requestor must indicate a reasonable required delivery date on each purchase request. This date must consider pre-contracting clearances, reviews and approvals, lead times as enumerated in Appendix C, and contractor delivery or phase-in times.

(3) The same individual will not sign as both the initiating and approval official.

#### b. Advanced Planning.

(1) Acquisition planning is not a program exclusive to the contracting office. Properly formulated requirements can reduce procurement administrative lead time and eliminate many contracting problems, while untimely submission of purchase requests will jeopardize the continuity of contractual services or supplies. A contracting officer should be consulted at the earliest practicable time to discuss issues such as approvals, clearances, SOWs, and source selection criteria.

(2) Commanders, staff officer, and health care administrators should consider annual contracts for open market items frequently bought under simplified acquisition procedures. This method of contracting can substantially reduce acquisition cost.

(3) The decision to lease rather than purchase equipment will be made on a case-by-case basis. The requestor must coordinate any lease request with the RMD. The contracting office will not act upon a lease request that has not been coordinated with RMD in writing.

c. Standard Contracting Lead Times. Standard contracting lead time is the number of days between the receipt of a purchase request and necessary documents in the PRCO and the date a contract is awarded. These lead times reflect only the time required for the contracting portion of the acquisition process. Additional time must be allocated for, but not limited to, the following: processing through local and Major Command (MACOM) approval channels, logistics, resource management, contractor phase-in and delivery and acceptance. The standard contracting lead times enumerated in Appendix C are presented for planning purposes. The actual time necessary to conduct a given procurement will be affected by factors such as adequacy/ complexity of the statement of work, extent of competition, technical review, and extent of negotiations.

d. Return of Purchase Requests and Cut-off Dates.

(1) Responsive contracting support will be provided IAW standard lead times. Requirements which cannot be processed due to lack of vital information cannot be held indefinitely without action. Purchase requests without basic vital information will be returned after an attempt by the PRCO to obtain the missing information fails.

(2) Purchase requests that do not allow the necessary lead times for completion will be accepted by the PRCO. These actions will be processed in turn with no assurance that the resulting contract will be awarded by the requested delivery date. Purchase requests requiring 4th quarter obligations which are received without sufficient lead time will not be processed without prior approval of the Chief of Staff and the Chief, PRCO.

6-2. COMPETITION AND OTHER THAN FULL AND OPEN COMPETITION.

a. Policy.

(1) Section 2304, Title 10, United States Code (10 USC 2304) requires contracting officers to promote and provide full and open competition when soliciting offers and awarding contracts. Contracting without providing for full and open competition or full and open competition after exclusion of sources is a violation of statute unless one of the limited exceptions apply.

(2) Contracting without providing for full and open competition shall not be justified on the basis of:

(a) a lack of advance planning by the requiring activity  
or;

(b) concerns related to the amount of funds available  
(e.g., funds will expire).



b. Specifications. Requesting activities must specify needs in a manner designed to promote full and open competition. Inclusion of restrictive provisions or conditions are permitted only to the extent necessary to satisfy the minimum needs of the agency, or as authorized by law. In ordinary language, this means:

(1) Describe the product or service in functional or performance terms as much as possible. Unnecessarily restrictive specifications most commonly result when requesting activities copy a potential contractor's specification sheet. This practice should be avoided.

(2) "Brand Name or Equal" buys should only be used when time does not permit the requesting activity to develop functional or performance specifications. If used, all brand name models that will meet the requirement should be included with the purchase request. Any additional requirements (salient characteristics) necessary to identify the Government's needs should also be included.

(3) Features or capacities of a product that have value to the Government but are not required to meet "minimum" needs, should not be required. Consideration for such desired features or capabilities may be included in the selection of the winning offeror. If circumstances warrant this approach, contact the PRCO for assistance in development of the requirement.

c. Exceptions. Certain statutory authorities permit contracting without providing for full and open competition. Even though circumstances may permit restricted competition, the contracting officer must solicit from as many potential sources as is practicable.

(1) Only one responsible source and no other supplies or services will satisfy agency requirements.

(2) Unusual and compelling urgency.

(3) Industrial mobilization; or engineering, developmental, or research capability.

(4) International agreement.

(5) Authorized or required by statute.

(6) National security.

(7) Public interest.

d. Application.

(1) The most frequently used exceptions to full and open competition are:

- (a) only one responsible source (sole source),
- (b) unusual and compelling urgency,
- (c) authorized or required by statute.

(2) Those circumstances which permit other than full and open competition when authorized or required by statute are normally for those supplies or services where the selection of the contractor is directed by statute.

(3) Technical and requirements personnel must provide and certify as accurate and complete data to support their recommendation for other than full and open competition. This certification requirement includes supporting the need for unusual and compelling urgency.

(4) Chapter 2 discusses the minimum data to be certified as accurate and complete, to be furnished by the requesting activity.

(e) Certification thresholds for accuracy and completeness are as follows:

<u>Contract Amount</u>	<u>Certification by (or higher)</u>
Over \$100,000.00	Major (04, or civilian equivalent
Over \$500,000.00	Colonel (06), or civilian equivalent

### 6-3. UNSOLICITED PROPOSALS.

a. Definition. "Unsolicited proposal" means a written proposal that is submitted to an agency on the initiative of the submitter for the purpose of obtaining a contract with the Government and which is not in response to a formal or informal request (other than an agency request constituting a publicized general statement of needs). (Federal Acquisition Regulation (FAR) 15.501) Advertising material, commercial product offers, contributions, and technical correspondence are not, of themselves, unsolicited proposals.

b. Policy. Agencies may not award a contract based on an unsolicited proposal without providing for full and open competition unless appropriate authority exists in FAR subpart 6.3.

c. Coordinating Office. The PRCO has been designated as the coordinating office for unsolicited proposals relating to medical supplies, equipment and services for TAMC, its tenants, and the Southeast region. (Health Services Command

Acquisition Instructions)

d. Contact Point. The Deputy, PRCO is designated the contact point to coordinate the receipt and handling of unsolicited proposals.

e. Safeguards. Unsolicited proposals may contain extremely sensitive information and shall be handled accordingly. When material is received that purports to be, or is believed to be, an unsolicited proposal, the individual receiving the material shall immediately take steps to safeguard the material. If the material was opened for identification, it shall be re-sealed. All material received shall be immediately delivered to the contact point in the coordinating office for disposition. The contents of the material will not be reproduced or discussed with anyone, except as directed by the coordinating office.

f. Advance Guidance. Organizations may expend extensive effort in preparing a proper unsolicited proposal. Such effort is usually costly and requires submission of proprietary data. Any organizational representative offering or suggesting submission of an unsolicited offer shall be encouraged to make preliminary contact with the point of contact at the coordinating office.

APPENDIX A  
STANDARD CONTRACTING LEAD TIMES

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TYPE OF ACTION	CALENDAR DAYS TO PROCESS
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1. SIMPLIFIED PURCHASE PROCEDURES	
Less than \$2,500 and GSA/VA orders within the maximum order limitation.	10
From \$2,500 to \$5,000	15
From \$5,000 to \$25,000	20
2. SUPPLIES AND EQUIPMENT NOT AVAILABLE UNDER FSS CONTRACTS.	
More than \$25,000 but less than \$500,000	90 - 120
\$500,000 or more	120 - 180
Exercise of Options	60
3. SERVICES.	
More than \$25,0000 but less than \$500,000	120 - 150
\$500,000 or more	150 - 210
Exercise of Options	60
4. DIRECT HEALTH CARE PROVIDER PROGRAM	
More than \$25,000 but less than \$500,000	120 - 180
\$500,000 or more	150 - 240
Exercise of Options	60